GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:4308
ANSWERED ON:28.03.2017
Upgradation of Food Processing Technology
Yeddyurappa Shri B. S.

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government proposes to provide any incentive to the State Governments and private entrepreneurs to upgrade the technology of food processing industries in various States;

(b) if so, the details thereof, State-wise including Karnataka;

(c) whether foreign funding has also been sought for this purpose; and

(d) if so, the details thereof ?

Answer

(a) & (b) : Currently, there is no such scheme in the Ministry of Food Processing Industries. However, Under the Scheme for Technology Upgradation/Establishment/Modernization of Food Processing Industries implemented by the Ministry of Food Processing Industries(MOFPI) during 11th Plan, financial assistance has been provided in the form of Grant-in-aid to eligible entrepreneurs in the country for setting up of new food processing units as well as technological upgradation and expansion of existing food processing units.
This scheme was subsequently subsumed in the Centrally Sponsored Scheme (CSS)-National Mission on Food Processing (NMFP) with effect from 01.04.2012 till 31.03.2015. Thereafter, the said scheme got delinked from Government of India's assistance and it was left to the State Governments to decide on its continuance from their increased resources as per recommendations of 14th Financial Commission. The committed/spillover liabilities of cases received upto end of 11th Plan are being considered by Ministry of Food Processing Industries for sanction of Grant-in-aid during the 12th Plan under the said scheme as per availability of funds and merits of proposals. The details of Food Processing Industries assisted in the country including Karnataka during last three years and current year as part of meeting committed liabilities of 11th Plan are at Annexure.

(c) & (d): Since there is no such scheme at present, the question of seeking foreign funding for the same does not arise. However, foreign direct investment (FDI) equity inflows received in the food processing sector in the country since 2010-11 are as under:

Year (April-March) FDI Equity inflows
(US $ Million)
2010-11 188.67
2011-12 170.21
2012-13 401.46
2013-14 3982.89
2014-15 515.86
2015-16 505.88
2016-17(Apr- Dec) 663.23
Source: Department of Industrial Policy and Promotion